App. F. IX-4

1946.47
(L.B.)

File No. 41-46
Serial Nos. 1-2

Previous References.

Later References.

Preserve
20.3.62

GENERAL AND REVENUE SECRETARIAT

Serial Nos. Two

Part B for Dec 46

SUBJECT

Levy of Special Cess in Mandya District

L 8355 dt 4-12-46

To

The President
District Board
Mandya.

Informs that proposals —
do not commend themselves to Govt.

LB 41-46-1

Letter No.B1.P.R.10/45 dated 8th/15th May 1946 from the President, District Board, Mandya, to the Secretary to Government Revenue Department.

.....

Subject:- Levy of Special Cess - Mandya District.

.....

SECRETARIAT 914

In continuation of this office No.B1.P.R.10/45 dated 10-1-45 I have the honour to state that Special Committee constituted to consider ways and means for the levy of Special Cess met on 1-4-46 and after considering all the aspects of the question, they came to the conclusion that Special Cess at the rate of 3 pies in a rupee, be levied on Excise and Forest income but not on the Land Revenue. The Committee also considered the ways and means by which the finances of the District Board could further be augmented and they were of opinion that the finances may be improved by the following means:-

(i) Levy of Local Cess at 3 pies in the rupee on the income-tax

(ii) Levying the Cess at double the present rate on buses and lorries and transferring the realisation therefrom to the District Board, as the District Board has to spend enormous amount for the repairs of the road, owing to the increase in the schedule rate for the repairing and maintenace work to be done to the roads.

(iii) Allotment to the District Board, of a suitable amount out of the Petrol tax, realised by Government as the buses and lorries are plying on the District Board Roads also.

(iv) Levy of toll in all shandies and increase in the present rate of tolls. The Special Committee passed resolutions accordingly.

2. On 30-4-46 the resolutions passed by the Special Committee as above, were placed before the District Board at their meeting for their consideration. The District Board unanimously approved all the resolutions passed by the Special Committee and passed individual resolutions accordingly. Extracts of the same are herewith submitted for favour of kind disposal.

3. After mature consideration, the District Board have come to the conclusion that the above are the only means by which the finances of the District Board could be improved. The normal expenditure of the District Board is in excess of the normal income with a mimimum closing balance as has been observed by Government while sanctioning the Budget for 1945-46 and the District Board are very anxious to improve their finances, with a view to discharge all their obligatory and optional duties and to adequately provide funds

funds to carry out the Public and Sanitation works needed in the District. In the circumstances, I request that you will be so good as to obtain sanction to each of the resolutions passed by the District Board as above.

4. A separate reference has been this day made regarding the levy of toll fees at the enhanced rates in several shandies as per resolution of the District Board for according sanction to the proposals contained therein.

"Copy"

1. Hon. P.D.B Mandya has suggested four ways of improving its financial condition. Necessary action is being taken with regard to items (i) & (iii). As regards items (ii) & (iii), action will have to be taken in Motor Traffic Board office this matter should be referred to that office. No 382/46-47 dt. 6-8-46

Sub 5/8 2. Forwarded with Minutes of Conference to the Secretary, Mysore Traffic Board for necessary action regarding items nos II & III

B.O

Secretary.

3/8/46

SECRETARY 510 AUG 9 1946 MYSORE TRAFFIC BOARD

3. Pl take extract and work up separately and return this file. Leave for further action on the two points.

dy 8/8

Sent N.D.S.

Received further instructions in this file & worked up. dy 8/8

OFFICE OF THE.....

File No.
Current No. of 194

Subject in brief.

Received on .....

From .....

Worked up and submitted on .....

NOTES AND ORDERS.

4. Submitted. The President, D.T.B., mandya has reported Govt. in his letter dt 15 5th 46 that the Special-Committee constituted to consider the ways and means for the levy of special cess also considered the ways and means by which the finances of the D.T.B. could further be augmented and that they were of four opinion that the finances might be improved by ~~increasing~~ means two of them have been referred to this Branch for taking necessary action and they are as follows

(a) Levying the cess at double the present rate on buses and lorries and transfering the realisation therefrom to the D.T.B. which has to spend enormous amount for the repair of the roads owing to increase in the vehicle rate for repair and maintenance,

(b) Allotment to the D.T.B. of a suitable amount out of the petrol tax realised by Govt. as buses and lorries are plying on the D.T.B. roads also.

5. Coming to the first proposal contained in sub para (a) above, it may be stated that it is rather vague and that it is not clear what kind of cess is referred to be doubled. If what is contemplated is the mileage cess leviable under the M.V.T. Act, it has to be noted that ~~the~~ this cess is levied only on ~~buses~~ Stage and Contract carriages (buses) and on no other motor vehicle and that the

Neto.—Contn. Sheet.

rate levied at present is the maximum permitted under the law. Any enhancement of the present rate requires amendment of the Act referred to above with the sanction of the Legislature that the enhancement is for the purpose of augmenting the resources of St. Govt. does not seem to be a justifiable ground for amendment of law. Further the transfer of the entire amount of cess so levied to St. Govt. as proposed is also opposed to Law. (Vide Sub-Section (4) of Section 99 of the M.V.T. Act)

6. With regard to the second proposal contained in sub-para (b) of para 4 supra, kind reference is invited to letter No. T. 1064/44-45 dt. 28.11.44 of the Traffic Bd. to the Law Dept. in reply to their letter No. L. 2273/Ls. 57-42-62 dt. 23.8.44 (L.S.S. Br.) on the same subject. It has to be pointed out that the object of the levy of additional duty on petrol is to promote the development of a system of highways or arterial roads and that there is no idea of applying its proceeds to the improvement of municipal roads or the amenities of purely local traffic. A statement of expenditure incurred out of this amount is required to be sent annually to the Govt. of India and the Chief Engr. for Rds. & Buildgs. in Mysore has intimated that only special repairs and improvement works on arterial roads in the State on which was spent an amount equal to the quota of grant received from the Govt. of India are being included in those statements. It is also ascertained that such Trunk roads are not included in the term "arterial roads". In the circumstances it does not seem practicable to assign any portion of this grant to St. Govt. for maintenance of their roads. The St. Govt. are at present getting the mileage cess in lieu for the distance traversed by them on St. Govt. roads subject to deduction

WD 02575 GPB 50,000 40-8-45

Subs with a draft reply for approval
29/10

Supdt. L.H. Bre. - Please
secretary to dispatch
5/11/46

Revised draft is subs
2/11

Secretary

To
Shri P.D.B. Mandya
L. 8355 of 20/12/46

Informs that the proposals do
not Commend themselves to Govt.

B
27/12

Appendix F. G.—1]

SUBJECT .....

.....

.....

Section ~~LB~~ LC

File No. 41-46

Serial No. 2

Diary No. of letter replied to.....

No. 2.

General and Revenue Secretariat

( )

the 194

To.

The PDB Mandya Dt.

Date of issue.....

Signed by.....

Sir,

Adverting to your letter no. B1. PR. 10/45- dated 8/15 May 1946 re. doubling of the present Cess on buses & lorries and transferring the realisation therefrom to the Boards & allotting a suitable amount out of petrol tax to the Dt Bds to improve its finances I am directed to state as follows

List of enclosures.....

Copied by.....

Examined by.....

WD 02745—GPB—25,000—24-6 46

It is not clear from the resolution what kind ~~of~~ Cess is required to be doubled. If what is contemplated is the mileage Cess leviable under the Motor Vehicles & Road Traffic Act, I ~~am~~ it has to be pointed out that this Cess is levied only on Stage & Contract Carriages (buses) & not on other motor vehicles. Moreover the rate now levied is the maximum permitted under the law & any enhancement of the present rate requires an amendment of the Act. Further, under ~~Section~~ Sub Section (4) of Section 99 of the M.V. & R.T. Act, it is not possible to transfer the entire amount of Cess so levied to the DDs as proposed.

In regard to the question of allotting a suitable amount out of the Petrol Tax to the District Boards, I ~~am~~ it has to be pointed out that the levy of duty on petrol is to promote the development of a System of highways or arterial roads and ~~that~~ the proceeds of ~~which~~ cannot be used to the improvements of Municipal roads or the amenities of purely local traffic. Since the DDs Rural Roads are not included in the term arterial roads", it

G. R. S. App. F. G. 3.

GENERAL AND REVENUE SECRETARIAT.

(*Continuation sheet draft form*).

is not possible to assign any portion of this grant to the Dt Bd. for the maintenance of Roads.

for the Reasons stated above, I am to add that the two proposals spread do not commend themselves to Govt.

I have &c.

for
30/11/46
for Secretary to Govt
Revenue Dept.

Madras

Copy of the above forwarded w/c letter Dy Traffic Board in Mysore for info in letter ref his No. nothing No 570 of 26.10.46.

for
Dy Secretary to Govt

for the I am to state that as a result of the recommendations of the Roads Classification Committee for expending about three lakhs of rupees on maintenance of certain important roads classed as "marketing roads". This amount being contributed entirely by the General Revenues of the State as the receipts under Road Fund are insufficient to meet the requirements of the State Road Programme, it is not therefore possible to give any more grants to the Dist Boards under Road Fund for maintenance of their roads.

WD 03697—GPB—30,000—2-2-46

GOVERNMENT OF HIS HIGHNESS THE MAHARAJA OF MYSORE.

General and Revenue Secretariat.

No. L. 8355 *Dated Bangalore, 6th* December 1946

FROM

The Secretary to the Government of His Highness the Maharaja of Mysore.

Revenue Department.

To

The President,

District Board,

Mandya District.

Sir,

Adverting to your letter No.Bl.P.R.10/45 dated 8/15th May 1946 regarding doubling of the present cess on buses and lorries and transferring the realisation therefrom to the Board and allotting a suitable amount out of petrol tax to the District Board to improve its finances, I am directed to state as follows :-

It is not clear from the resolution what kind of cess is required to be doubled. If what is contemplated is the mileage cess leviable under the Motor vehicles and Road Traffic Act, it has to be pointed out that this cess is levied only at on stage and Contract Carriages (buses) and not on other motor vehicles. Moreover the rate now levied is the maximum permitted under the law and any enhancement of the present rate requires an amendment of the xx Act. Further under sub section (4) of Section 99 of the Motor Vehicles and Road Traffic Act, it is not possible to transfer the entire amount of cess so levied to the District Boards as proposed.

In regard to the question of allotting a suitable amount out of the Petrol Tax to the District Board, it has to be pointed out that the levy of duty on petrol is to promote the development of a system of highways or arterial roads and the proceeds thereof cannot be used to the improvements of Municipal roads or the amenities of purely local traffic. Since the District Fund roads are not included in the term "arterial roads", it is not possible to assign any portion of this grant to the District Board for the maintenance of its roads. Further I am to state that as a result of the recommendations of the Road Classification

Classification Committee, Government are spending about three lakhs of rupees on the maintenance of certain important roads classed as "Marketing roads". This amount is being contributed out of the general revenues of the State as the receipts under Road Fund are insufficient to meet the requirements of the State Fund Roads. It is not therefore possible for the Government to give any more grants to District Boards out of Road Fund for maintenance of their roads.

For the reasons stated above, I am to add that the two proposals aforesaid do not commend themselves to Government.

I have the honour to be,
Sir,
Your most obedient servant,

for Secretary to Government
Revenue Department.